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BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268–0001

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL & FIRST-CLASS PACKAGE SERVICE
CONTRACT 191 (MC2021–76)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2021-79

USPS NOTICE OF AMENDMENT TO PRIORITY MAIL & FIRST-CLASS PACKAGE SERVICE CONTRACT 191, FILED UNDER SEAL

(April 27, 2022)

The Postal Service hereby provides notice that the terms of Priority Mail & First-Class Package Service Contract 191, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Priority Mail & First-Class Package Service Contract 191 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective three business days following the day that the Commission completes its review of this filing.

This amendment will not materially affect the cost coverage of Priority Mail & First-Class Package Service Contract 191. Therefore, the supporting financial documentation and financial certification initially filed in this docket remain applicable. The Postal Service hereby incorporates by reference the Application for Non-Public Treatment originally filed in this docket, for the protection of the customer-identifying information that has been filed under seal.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

Sean C. Robinson

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ATTACHMENT A

REDACTED AMENDMENT TO

PRIORITY MAIL & FIRST-CLASS PACKAGE SERVICE CONTRACT 191

AMENDMENT #1 OF SHIPPING SERVICES CONTRACT BETWEEN THE UNITED STATES POSTAL SERVICE

AND

REGARDING PRIORITY MAIL SERVICE AND FIRST-CLASS PACKAGE SERVICE

WHEREAS, the United States Postal Service (the "Postal Service") and ("Customer") entered into a Shipping Services Contract, Priority Mail & First-Class Package Service Contract 191/Docket No. CP2021-79 regarding Priority Mail and First-Class Package Service on March 12, 2021.

WHEREAS, the Parties desire to amend the terms of the Contract in Sections I.D, I.F.3, I.G, I.H, I.J.2, IV; replace Tables C and D; and add new Section I.F.4 to the Contract.

NOW, THEREFORE, the Parties agree that the Contract is hereby amended as detailed below. The existing Contract remains unchanged in all other respects. This Amendment shall become effective three (3) business days following the day on which the Commission issues all necessary regulatory approval.

[Replace Sections I.D, I.F.3, I.G, I.H, I.J.2, IV; replace Tables C and D; and add new Section I.F.4 to the Contract, as follows.]

I. Terms

D. Customer will manifest Contract Packages as specified by the Postal Service, using a separate permit number and/or PC Postage account to ship such packages, and will use the Electronic Verification System ("eVS"), other USPS approved manifest systems, or USPS approved PC Postage vendors for payment of such packages. The Parties have mutually agreed to specific shipping locations from where Contract Packages must originate, along with the associated Customer Registration ID, Mailer ID and Payment Method information required for each shipping location provided that dropshipping, as may be approved by the Postal Service, may originate from other locations. Contract pricing for any newly approved permits and/or PC Postage accounts will be effective within fifteen (15) business days after the Postal Service receives written notification from Customer. Only Priority Mail Contract Packages, plus Customer's other Priority Mail packages ("Total PM Packages"), and First-Class Package Service Contract Packages, plus Customer's

other First-Class Package Service packages ("Total FCPS Packages"), shipped from authorized permits and/or PC Postage accounts shall count toward the volume commitments expressed in Sections I.F.3 and I.F.4 with Tables C and D.

F. [Unchanged.]

- 1. [Unchanged.]
- 2. [Unchanged.]
- 3. Tier threshold (Total PM Packages). As outlined in Table C below, the following quarterly average volumes must be met in order to achieve the applicable Priority Mail Contract Package prices in Section I.I. If the quarterly average of Total PM Packages shipped falls below the minimum volume set for Tier 1 pricing, the Postal Service in its sole discretion has the right to revert Customer to the most current Priority Mail and First-Class Package Service Commercial Plus prices for the subsequent Contract Quarter.



4. Tier threshold (Total FCPS Packages). As outlined in Table D below, the following quarterly average volume must be met in order to achieve the applicable First-Class Package Service Contract Package prices in Section I.I. If Customer fails to meet the average Total FCPS Package Commitment for customized pricing, the Postal Service in its sole discretion reserves the right to revert Customer to the most current First-Class Package Service - Commercial prices in the subsequent Contract Quarter. Eligibility for First-Class Package Service Contract Package pricing is contingent upon Customer meeting the minimum quarterly commitments for both Total PM Packages and Total FCPS Packages.



G. From the Effective Date of the Contract through the end of the first full Contract Quarter, Customer will pay Tier 1 prices for Contract Packages, pursuant to Tables 1 and 3, respectively. Subsequent tier pricing will be determined by the separate quarterly averages of Total PM Packages and Total FCPS Packages shipped during the term of this Contract.

H. Customized prices for this Contract will be based on a rolling four (4) quarter average. From the first full Contract Quarter, until Customer has reached four (4) full Contract Quarters, the separate quarterly averages for Total PM Packages and Total FCPS Packages will be based on the individual quantities of Total PM Packages and Total FCPS Packages shipped, divided by the number of full Contract Quarters achieved. The subsequent quarterly averages for each Total Package category will be calculated by the number of Total PM Packages and Total FCPS Packages shipped in the previous four (4) full Contract Quarters, divided by four (4). At the conclusion of each Contract Quarter, the Postal Service will calculate the quantity of Total PM Packages and Total FCPS Packages, and the number of applicable quarters to calculate and apply the appropriate rate table for each product within thirty (30) calendar days of the conclusion of that Contract Quarter. The Postal Service will notify Customer, within thirty (30) calendar days after the start of each full Contract Quarter, of the applicable tiered pricing for Contract Packages shipped during that Contract Quarter. The calculated rate for the new Contract Quarter will become effective within thirty (30) calendar days from the start of the new Contract Quarter.

J. Annual Adjustment.

- 1. [Unchanged.]
- 2. For subsequent years of the Contract, beginning on the first anniversary of the Contact's Effective Date, customized First-Class Package Service prices under this Contract, found in Table 3, for Contract Packages weighing more than will be the previous year's prices plus the most recent (as of the anniversary date) overall percentage increase in prices of general applicability for First-Class Package Service Commercial, as calculated by the Postal Service. Contract Package pricing for Customer's First-Class Package Service Contract Packages weighing up to will be prevailing published prices for First-Class Package Service Commercial throughout the term of the Contract.
- 3. [Unchanged.]

IV. Appeals

Customer may appeal a Postal Service decision regarding the calculation of prices, the amount of postage paid, or other implementation or operational issues under this Contract by submitting a written appeal via email, along with any and all supporting documentation, within thirty (30) calendar days of receipt of notification of the determination giving rise to the appeal to:

The appeal is forwarded to the Pricing and Classification Service Center (PCSC). The PCSC manager issues the final agency decision. Any decision that is not appealed as prescribed becomes the final agency decision.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be duly executed as of the later date below:

	ED STATES DOOR I SERVICE
Signed	by:
Printed	l Name: <u>Jacqueline Strako</u>
Title:_	Chief Commerce & Business Solutions Officer and Executive Vice President
Date:	4/26/2022

